Department of State

TELEGRAM

CONFIDENTIAL 666

PAGE 01 TRIPOL 01133 261633Z

47 43
ACTION AF-05

INFO OCT-01 SS-20 NSC-10 NSCE-00 INR-06 CIAE-00 NSAE-00
E-02 PRS-01 EUR-12 L-02 COM-02 INT-01 RSR-01 RSC-01
/064 W

023562

P R 261554Z MAY 70
FM AMEMBASSY TRIPOLI
TO SECSTATE WASHDC PRIORITY 6332
AMEMBASSY PARIS
INFO AMEMBASSY BENGHAZI

DEPARTMENT OF STATE A/CDC/MR
REVIEWED BY C DATE 8/7/81
PORTIONS DENIED AS INDICATED

C O N F I D E N T I A L TRIPOLI 1133

LIMDIS

SUBJ: OCCIDENTAL OIL

REF: TRIPOLI 1086, PARIS 6658

1. OXY REPORTS 400,000 B/D PRODUCTION CUTBACK PUT INTO EFFECT TODAY (MAY 26). OXY LIBYA PRESIDENT WILLIAMSON LEAVING FOR OXY'S REGIONAL HEADQUARTERS IN PARIS TO DISCUSS COMPANY'S OIL SUPPLY SITUATION AND TO INFORM OXY'S CLIENTS OF REDUCED QUANTITY OF CRUDE AVAILABLE BECAUSE OF LARG ACTION.

[redacted]

GABLAAWI PROMISED DECISION ON CUTBACK WOULD BE REVIEWED AND THAT SOME RELIEF MIGHT BE GIVEN OXY NEXT WEEK, AFTER MINPET MABRUUK RETURNS FROM HIS VISIT TO PARIS AND KUWAIT.

3. ON POSTED PRICE NEGOTIATIONS, WHICH WE STILL BELIEVE TO BE HEART OF CUTBACK ISSUE, GABLAAWI IMPLIED LARG PREPARING TO MODERATE ITS PRICE DEMANDS, WHICH HAVE REMAINED RIGID UNTIL NOW. EMBASSY NOTES RECENT INFORMAL ESSO CONTACTS WITH TWO MEMBERS OF POSTED PRICE COMMITTEE HAVE NOT PRODUCED ANY INDICATION

CONFIDENTIAL

DECLASSIFIED

Department of State **TELEGRAM**

CONFIDENTIAL

PAGE 02 TRIPOL 01133 261633Z

OF CHANGE ON PART OF COMMITTEE.

4. FOR PARIS: [redacted] INFO REPORTED PARIS REFTEL APPRECIATED.

[redacted] USG SOURCES SHOULD REFRAIN FROM DISCUSSING DETAILS OF CUTBACK IMPOSED ON OXY.

GP-4

PALMER

CONFIDENTIAL

0314590030